



PSC NEWS

Missouri Public Service Commission

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FOR IMMEDIATE RELEASE

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NEW FLORENCE TELEPHONE AGREES TO PAY \$100,000 PENALTY *Customers To Also Receive Bill Credits Under Agreement In PSC Staff Complaint*

JEFFERSON CITY—The New Florence Telephone Company will pay a \$100,000 fine and customers of the telephone company will receive bill credits under an agreement that has been approved by the Missouri Public Service Commission.

This case resolves a PSC Staff complaint brought against the telephone company for alleged violations of law by the telephone company. The \$100,000 penalty will go to the Public School Fund.

The PSC order noted that none of the penalty imposed on the New Florence Telephone Company will be recovered from the ratepayers of the Company.

The agreement mandates the sale of the telephone company to a *bona fide*, independent, third-party purchaser. If an application seeking approval of the sale of the telephone company is not filed with the PSC by October 2, 2006, an additional payment of \$250,000 would be paid to the Public School Fund.

Allegations of overbilling against New Florence Telephone Company customers are addressed by requiring the telephone company, or its successor, to issue a credit of \$50 per access line to each customer of the telephone company on December 29, 2006. The agreement also institutes a two-year rate freeze.

The agreement was submitted by the PSC Staff, the Office of the Public Counsel, New Florence Telephone Company, Robert Williams and Local Exchange Company, LLC.

New Florence Telephone Company provides basic local telecommunications service in Montgomery County, in and around New Florence, Missouri.

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Case No. TC-2006-0184